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THE WEEKLY OF
BUSINESS AVIATION™

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INTELLIGENCE

GEN. THOMAS RICHARDS, the nominee for the FAA administrator post, last week targeted air taxi safety as one of his chief concerns. Richards, who testified during a hearing before the House aviation subcommittee Tuesday, brought up the need to improve the air taxi safety record three times when answering questions about what his primary safety and personal goals would be as FAA administrator. He added that "we need to continue to work on commuters'" accident record and suggested better maintenance procedures as the first step in accomplishing this goal. *(See related story on Page 233).*

THE CONCEPT OF A FIXED TERM for the FAA administrator appears to be gaining momentum in Congress as House aviation subcommittee Chairman James Oberstar (D-Minn.) last week said he plans to seek bipartisan support for a measure calling for a fixed-term. Oberstar complained that there is "too much change at the top...too long a gap from the departure of one administrator to the appointment of another." A fixed term also has gained support in the Senate as Senate transportation appropriations Chairman Frank Lautenberg (D-N.J.) said the aviation community would be better served with an FAA administrator who transcended changes within the White House. Sen. Wendell Ford (D-Ky.), chairman of the Senate aviation subcommittee, included a fixed-term provision in the Senate reauthorization package *(BA, May 4/184)*.

SCENIC AIRLINES OWNERS, who were unable to find a buyer willing to pay what they considered a fair price for the Las Vegas-based company *(BA, March 16/111)*, are moving ahead with plans to modernize and expand the company's operations. Scenic officials said when they launched the sales effort in 1991 that if a buyer at the right price could not be found, the present ownership/management team planned to retain its interest and grow the business. Scenic is expected to announce plans within a few weeks for a major new FBO facility at McCarran International Airport. In addition to the existing FBO at McCarran, the company conducts extensive sightseeing flight operations under Part 135 and leases and modifies de Havilland Twin Otter aircraft under a number of proprietary STCs.

NEW NBAA PRESIDENT Jack Olcott observed recently that business jet deliveries grew from 888 in the 1960s to 1,718 in the 1970s and 2,409 during the 1980-1989 period. Based on deliveries in the first two and one-half years of the 1990s, Olcott said new business jet deliveries are estimated to fall to 1,375 during the current decade *(BA, June 1/223)*. He adds, however, that number could increase with the advent of two new entry-level business jets, the CitationJet from Cessna and the Swearingen SJ30. Those two fuel-efficient, $2.5 million aircraft "may help us find new markets," Olcott said.

PAGE SAID TO BE CLOSE TO AN AGREEMENT TO ACQUIRE BUTLER FBO NETWORK

Less than two years after Page Avjet Corp. added 13 fixed-base operations by acquiring Van Dusen Airport Services, the Orlando, Fla.-based aviation company is believed to be on the verge of completing an agreement to buy Butler Aviation's network of 25 facilities that stretch from Miami to Anchorage, Alaska. If the acquisition takes place, Page would dominate the domestic FBO market with a network of more than 40 locations, making it twice the size of its nearest competitor.

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Airport and Airway Trust Fund
Income Statement
October 31, 1991 - March 31, 1992

	Current Month	Year-to-Date
RECEIPTS		
Excise Taxes (Transferred from General Fund):		
Liquid Fuel other than Gas	$ 9,280,000.00	$ 56,810,000.00
Transportation by Air, Seats, Berths, etc.	337,153,000.00	2,164,874,000.00
Use of International Travel Facilities	20,873,000.00	120,772,000.00
Transportation of Property and Cargo	19,819,000.00	119,504,000.00
Gasoline:		
Commercial 9 cents tax	224,000.00	1,343,000.00
Non-commercial 9 cents tax	2,800,000.00	15,609,000.00
Total Tax Receipts	$ 390,149,000.00	$ 2,478,912,000.00
Less Reimbursement to the General Fund (Refund of Taxes and Estimated Tax Credits):		
Aircraft Use Tax	$ 0.00	$ 0.00
Aviation Fuels Commercial	0.00	6,546,470.00
Gas Retailers Tax	0.00	0.00
Total Reimbursements:		
Tax Receipts	$ 0.00	$ 0.00
Net Tax Receipts	$ 390,149,000.00	$ 2,472,365,530.00
Interest on Investment	$ 1,224,619.78	$ 323,603,209.37
Accrued Interest Income	107,720,030.17	316,274,500.45
NET RECEIPTS	$ 499,093,649.95	$ 3,112,243,239.82
OUTLAYS		
Interest on Refunds & Credits	$ 0.00	$ 0.00
NON-EXPENDITURE TRANSFERS		
Department of Transportation	$ (481,502,000.00)	$ (2,931,685,833.47)
National Oceanic and Atmospheric Administration (NOAA)	(8,847,250.00)	(17,694,500.00)
TOTAL NON-EXPENDITURE TRANSFERS	$ (490,349,250.00)	$ (2,949,380,333.47)
TOTAL OUTLAYS/TRANSFERS	$ (490,349,250.00)	$ (2,949,380,333.47)
SURPLUS/(DEFICIT)	$ 8,744,399.95	$ 162,862,906.35

From Treasury Department data

AVITAS AVIATION

(Continued on Following Page)

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Airport and Airway Trust Fund
Balance Statement
As of March 31, 1992

ASSETS		
Undisbursed Balances:		
Available for Investment	$ 36.50	
TOTAL UNDISBURSED BALANCE		$ 36.50
Receivables:		
Intrest Receivables	$ 316,274,500.45	
TOTAL RECEIVABLES		$ 316,274,500.45
Investments:		
U.S. Treasury Certificates of Indebtedness		
8-1/4% matures 6/30/92	15,193,672,000.00	
8% matures 06/30/92	125,108,000.00	
7-7/8% matures 06/30/92	12,476,000.00	
7-5/8% matures 06/30/92	$ 20,850,000.00	
NET INVESTMENTS		$ 15,352,106,000.00
TOTAL ASSETS		$ 15,668,380,536.95
LIABILITIES & EQUITY		
Beginning Balance	$ 15,505,517,630.60	
Net Change	162,862,906.35	
TOTAL EQUITY		$ 15,668,380,536.95
TOTAL LIABILITIES & EQUITY		$ 15,668,380,536.95

Activity Report
October 1, 1991 - March 31, 1992

	Current Month	Year-to-Date
UNDISBURSED BALANCES:		
Operations	$ 0.00	$ 396.00
Grants-in-Aid	(21,344,470.85)	11,143,196.39
Facilities & Equipment	12,192,537.63	127,708,016.72
Research Engineering Development	2,733,082.10	7,838,268.31
TOTAL UNDISBURSED BALANCE	$ (6,418,851.12)	$ 146,689,877.42
EXPENSES		
Operations	$ 175,802,000.00	$ 1,054,811,629.00
Grants-in-Aid	144,244,470.85	845,932,193.62
Facilities and Equipment	152,207,462.37	852,731,413.54
Research Engineering Development	15,666,917.90	100,403,837.90
NOAA Aviation Weather Services	8,847,250.00	17,694,500.00
DOT/Rental Payments	0.00	0.00
TOTAL EXPENSES	$ 496,768,101.12	$ 2,871,573,574.06
NON-EXPENDITURE TRANSFERS		
Department of Transportation	$ (481,502,000.00)	$ (2,931,685,833.47)
National Oceanic and Atmospheric Administration (NOAA)	(8,847,250.00)	(17,694,500.00)
TOTAL NON-EXPENDITURE TRANSFERS	$ (490,349,250.00)	$ (2,949,380,333.47)

From Treasury Department data

AVITAS AVIATION

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